

CLEAN PRICES FOR RE-OPENED 5 YEAR BOND (4.25 YRS TO MATURITY)
AT 6.671% P.A. COUPON FOR VARIOUS YIELD QUOTES

YIELD(YTM)	PRICE	YIELD(YTM)	PRICE
5.125%	105.827	9.625%	89.872
5.250%	105.340	9.750%	89.472
5.375%	104.855	9.875%	89.074
5.500%	104.373	10.000%	88.679
5.625%	103.894	10.125%	88.285
5.750%	103.418	10.250%	87.894
5.875%	102.944	10.375%	87.504
6.000%	102.472	10.500%	87.117
6.125%	102.004	10.625%	86.732
6.250%	101.537	10.750%	86.349
6.375%	101.074	10.875%	85.968
6.500%	100.613	11.000%	85.589
6.625%	100.154	11.125%	85.212
6.671%	99.986	11.250%	84.837
6.750%	99.698	11.375%	84.464
6.875%	99.245	11.500%	84.094
7.000%	98.794	11.625%	83.725
7.125%	98.346	11.750%	83.358
7.250%	97.899	11.875%	82.993
7.375%	97.456	12.000%	82.630
7.500%	97.015	12.125%	82.269
7.625%	96.576	12.250%	81.909
7.750%	96.140	12.375%	81.552
7.875%	95.706	12.500%	81.197
8.000%	95.274	12.625%	80.843
8.125%	94.845	12.750%	80.492
8.250%	94.418	12.875%	80.142
8.375%	93.993	13.000%	79.794
8.500%	93.571	13.125%	79.448
8.625%	93.151	13.250%	79.104
8.750%	92.733	13.375%	78.761
8.875%	92.318	13.500%	78.421
9.000%	91.905	13.625%	78.082
9.125%	91.494	13.750%	77.745
9.250%	91.085	13.875%	77.410
9.375%	90.678	14.000%	77.076
9.500%	90.274	14.125%	76.745

CLEAN PRICES FOR RE-OPENED 30 YEAR BOND (29.50 YRS TO MATURITY)
AT 12.00% P.A. COUPON FOR VARIOUS YIELD QUOTES

YIELD(YTM)	PRICE	YIELD(YTM)	PRICE
10.000%	118.876	10.000%	118.876
10.125%	117.514	10.125%	117.514
10.250%	116.179	10.250%	116.179
10.375%	114.870	10.375%	114.870
10.500%	113.588	10.500%	113.588
10.625%	112.331	10.625%	112.331
10.750%	111.108	10.750%	111.108
10.875%	109.900	10.875%	109.900
11.000%	108.705	11.000%	108.705
11.125%	107.543	11.125%	107.543
11.250%	106.403	11.250%	106.403
11.375%	105.284	11.375%	105.284
11.500%	104.187	11.500%	104.187
11.625%	103.111	11.625%	103.111
11.750%	102.054	11.750%	102.054
11.875%	101.018	11.875%	101.018
12.000%	100.000	12.000%	100.000
12.125%	99.001	12.125%	99.001
12.250%	98.020	12.250%	98.020
12.375%	97.057	12.375%	97.057
12.500%	96.112	12.500%	96.112
12.625%	95.183	12.625%	95.183
12.750%	94.271	12.750%	94.271
12.875%	93.375	12.875%	93.375
13.000%	92.495	13.000%	92.495
13.125%	91.630	13.125%	91.630
13.250%	90.780	13.250%	90.780
13.375%	89.945	13.375%	89.945
13.500%	89.124	13.500%	89.124
13.625%	88.318	13.625%	88.318
13.750%	87.525	13.750%	87.525
13.875%	86.745	13.875%	86.745
14.000%	85.978	14.000%	85.978
14.125%	85.224	14.125%	85.224
14.250%	84.483	14.250%	84.483
14.375%	83.753	14.375%	83.753
14.500%	83.036	14.500%	83.036

YIELD(YTM)	PRICE	YIELD(YTM)	PRICE
14.625%	82.330	14.625%	82.330
14.750%	81.636	14.750%	81.636
14.875%	80.963	14.875%	80.963
15.000%	80.281	15.000%	80.281
15.125%	79.619	15.125%	79.619
15.250%	78.968	15.250%	78.968
15.375%	78.327	15.375%	78.327
15.500%	77.696	15.500%	77.696
15.625%	77.074	15.625%	77.074
15.750%	76.462	15.750%	76.462
15.875%	75.860	15.875%	75.860
16.000%	75.267	16.000%	75.267
16.125%	74.682	16.125%	74.682
16.250%	74.107	16.250%	74.107
16.375%	73.540	16.375%	73.540
16.500%	72.981	16.500%	72.981
16.625%	72.431	16.625%	72.431
16.750%	71.888	16.750%	71.888
16.875%	71.354	16.875%	71.354
17.000%	70.827	17.000%	70.827
17.125%	70.308	17.125%	70.308
17.250%	69.796	17.250%	69.796
17.375%	69.292	17.375%	69.292
17.500%	68.794	17.500%	68.794
17.625%	68.304	17.625%	68.304
17.750%	67.820	17.750%	67.820
17.875%	67.343	17.875%	67.343
18.000%	66.873	18.000%	66.873
18.125%	66.409	18.125%	66.409
18.250%	65.952	18.250%	65.952
18.375%	65.500	18.375%	65.500
18.500%	65.055	18.500%	65.055
18.625%	64.616	18.625%	64.616
18.750%	64.182	18.750%	64.182
18.875%	63.754	18.875%	63.754
19.000%	63.332	19.000%	63.332
19.125%	62.915	19.125%	62.915

IMPORTANT INFORMATION

The 5 Year bond attracts Accrued Interest of Ksh 1.668 per Ksh 100, Withholding Tax is computed on clean prices. Example: If yield quoted is 6.671%, Settlement Price is the clean price (Ksh 99.986) plus AI (Ksh 1.668) which gives Ksh 101.654



CENTRAL BANK OF KENYA

**PROSPECTUS FOR THE
RE-OPENING OF TREASURY BONDS**

**ISSUE NOS. FXD 2/2010/5
AND SDB 1/2011/30**

TOTAL VALUE: UP TO KSHS 10 BILLION

AUGUST 2011

For enquiries please contact Central Bank of Kenya, Financial Markets Department on 2860000 or our Branches in Mombasa, Kisumu and Eldoret or Nyeri, Meru and Nakuru Currency Centres or any commercial bank, investment bank, stock brokers or send an email to NDO@centralbank.go.ke or visit the CBK website on www.centralbank.go.ke

FXD 2/2010/5 AND SDB 1/2011/30

The Central Bank of Kenya, acting in its capacity as fiscal agent for the Republic of Kenya, invites bids for the above Bonds whose terms and conditions are as follows:-

Issuer : Republic of Kenya

Amount : Up to Kshs. **10 Billion**

Purpose : Budgetary Support

Tenors : **Five Year - Reopen (4.25 yrs)**
: **Thirty Year - Reopen (29.50 yrs)**

Coupons : **5-Year - 6.671%**
: **30-Year - 12.000%**

Period of sale : **03/08/2011 to 23/08/2011**

Value Date : **29/08/2011**

Price Quote : Discounted/Premium/ Par

Minimum Amount : **Kshs. 50,000.00**

Interest Payment Dates:

30 - Year		5 - Year		
29/08/2011	16/08/2021	04/08/2031	28/11/2011	26/05/2014
27/02/2012	14/02/2022	02/02/2032	28/05/2012	24/11/2014
27/08/2012	15/08/2022	02/08/2032	26/11/2012	25/05/2015
25/02/2013	13/02/2023	31/01/2033	27/05/2013	23/11/2015
26/08/2013	14/08/2023	01/08/2033	25/11/2013	
24/02/2014	12/02/2024	30/01/2034		
25/08/2014	12/08/2024	31/07/2034		
23/02/2015	10/02/2025	29/01/2035		
24/08/2015	11/08/2025	30/07/2035		
22/02/2016	09/02/2026	28/01/2036		
22/08/2016	10/08/2026	28/07/2036		
20/02/2017	08/02/2027	26/01/2037		
21/08/2017	09/08/2027	27/07/2037		
19/02/2018	07/02/2028	25/01/2038		
20/08/2018	07/08/2028	26/07/2038		
18/02/2019	05/02/2029	24/01/2039		
19/08/2019	06/08/2029	25/07/2039		
17/02/2020	04/02/2030	23/01/2040		
17/08/2020	05/08/2030	23/07/2040		
15/02/2021	03/02/2031	21/01/2041		

Tax : Discount/interest is subject to withholding tax at rate of **10 %** for 30 year and **15%** for the 5 year.

Redemption Dates : **5 Year - 23/11/2015**
30 Year - 21/01/2041

Issuing and Paying Agent : Registrar, National Debt.

Placing Agents:

- Commercial Banks
- Non-Bank Financial Institutions
- Licensed Stock Brokers
- Licensed Investment Advisors

Issuance method : Multi-Price Bid Auction.

Non-Competitive Bids : Maximum **Kshs 20 Million** per investor per tenor.

Bids Closure : Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box by **2.00 p.m on Tuesday August 23, 2011.**

Auction Date : **24/08/2011**

Results : Investors should obtain details of amounts payable for successful bids, from Central Bank on **25/08/2011.**

Defaulters : Defaulters may be suspended from subsequent investment in Government Securities.

Commission : Licensed placing agents will be paid commission at the rate of **0.15%** of actual sales (at cost) net of **5%** withholding tax.

Rediscounting : The Central Bank will rediscount the bonds as a last resort at **3%** above the prevailing market yield or coupon rate whichever is higher, **upon written confirmation to do so from the Nairobi Stock Exchange.**

Liquidity : The bonds qualify for statutory liquidity ratio requirements for Commercial Banks and Non-Bank Financial Institutions as stipulated in the Banking Act CAP 488 of the Laws of Kenya.

Listing : The bonds will be listed on the Nairobi Stock Exchange.

Registrar : National Debt, Central Bank of Kenya.

Eligibility : Only CDS Account holders with updated mandates.

Re-opening : The Bonds may be re-opened at a future date.

Secondary Trading of the Bonds : Secondary trading in multiples of KShs 50,000.00 to commence on **August 30, 2011**

Right to accept applications : The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.

CDS Account Opening:

The Central Bank has appointed on a pilot basis 5 banks namely: Kenya Commercial Bank, Equity Bank, National Bank, Co-operative Bank and Kenya Post Office Savings Bank to facilitate opening of CDS accounts, receiving bid application forms and payment for successful bids.